

## Welcome NACUBO to Seattle

- July 20, 2014

- Stephen V. Sundborg, S.J.

On behalf of the colleges and universities of the Seattle region, welcome college and university business officers to Seattle for your annual meeting. It is a privilege to be asked to speak as one president of this region and as the president of a mid-sized, 7,500-student, independent Jesuit university in the heart of the city. At the invitation of Mike Young, the president of the University of Washington, we presidents of this city regularly get together to support one another and to vent our common complaints. Recently we stood in solidarity, friendship, and support with President Dan Martin of Seattle Pacific University, when a shooter came on his campus, killed a student and wounded others. It's the greatest fear of all of us.

In my comments this morning I borrow the words I recently heard, which a college president used to introduce his remarks on this kind of occasion. He started by saying, "As Henry the Eighth said to each of his wives, 'I won't keep you long!'" I, too, won't keep you long, just a welcome to Seattle and a few words of appreciation by a long-serving president for the work of our CFOs, our controllers, our budget directors, our directors of facilities, all of our business officers.

First of all Seattle. Welcome to the fastest growing city in America, the most dependent state on foreign trade, both a cultural and an environmental hub, a city of well-educated and entrepreneurial people. We read more books, have more bookstores, drink more coffee than any place in the country. There is a phenomenon among us called "Seattle Nice"—always giving pedestrians right of way, endlessly giving preference at four-way stops to the other cars. We are nice but not particularly warm—you do not just drop by in Seattle to say hello—it may come from our Scandinavian origins. By the way, those immigrating Swedes, Norwegians, Finns and Danes all stopped first in Minnesota and left their religion there. Our region is the most unchurched in the country.

As business officers you know this is a great city for business: Boeing, Microsoft, Starbucks, Amazon.com, Costco, Nordstrom, PACCAR (the second largest truck-making company in the world), the port with the shortest distance to Asia, the jumping-off place for business and tourism in Alaska, headquarters of the world's largest foundation whose co-chairman will speak to you tomorrow. Seattle, in this remote and rainy northwest corner of America, breaks all the laws for where manufacturing should occur and in which direction talent in our country should flow. Perhaps we are lucky that as our lumber and fishing peaked, Boeing started building planes for World War II, and then jets for the military, and then commercial jets. When Seattle became too much of a one-company Boeing town, along came Bill Gates and Paul Allen bringing Microsoft home to where they grew up, and so too came Jim Sinegal of Costco, Howard Schultz of Starbucks, and potentially eclipsing them all, world-retailer Jeff Bezos of Amazon.com. There is either something in the water or something in the coffee, or something that makes you innovative when you live in a grey box of clouds most of the year.

It's not just about quantity—though Boeing does expect a need for 36,000 planes in the next 20 years—it's about quality. Again think of the names of those companies and their quality products. Or take in the factoid I recently read which puts our manufacturing in some perspective, “A refrigerator is worth about \$2.50 per pound and a Chevrolet Suburban is worth about \$7.50 per pound, whereas a Boeing 777 is worth over \$900 per pound.” (Michael Luis, Century 21 City, p.96) It's also about quality of talent: the average salary at Microsoft five years ago was already \$152,000. Ironically, and perhaps disadvantageously, in a state which is at the top for the percentage of people with college degrees, we rank 46<sup>th</sup> in the number of college degrees we ourselves generate relative to our population. We import out talent. Maybe you educate our citizens and the talent which drives our business and innovation. This is a great business city in which to hold the annual meeting of business officers and this is a fantastic city in which to have the kind of colleges and universities you support by your work.

I'm in my 18<sup>th</sup> year as president of Seattle University, a Jesuit Catholic university. My board of trustees, like Henry the Eighth, is probably about ready to say to me too, “We won't be keeping you long!” Let me say a few words from my experience about business officers and then head along.

If truth be told, most presidents are not very good businessmen and women. We are too busy trying to keep a dozen constituencies engaged and pleased or at least placated. As university president Clark Kerr once said, alluding to all those constituencies, “A university president is less like a CEO of a company and more like the mayor of a city.” We depend on you to be the good business people, to keep us on the right track, or—to change the metaphor—to get our back. We, as you, do not like terms like “unaddressed deferred maintenance”, or “unsustainable business model”, or “exhausted bond capacity”, or “administrative bloat”. We don't like those terms, but the difference is we can delegate all of them to you and get on with our speechifying and pacifying. God bless you!

What I have come to value in business officers is the not only taken-for-granted accountability for professional financial analysis and oversight, budget development, revenue generation, facility and space management (though whoever heads space allocation on our campuses deserves the best space in heaven). What I have come to value most is the business officer who can clearly, verbally, articulate financial matters, whether to faculty or to trustees (and there is some distance in the business acumen between those two!), who can write the timely needed memo which will convey a university's financial reality and survive university wordsmithing and deconstruction. I also most admire the business officers who go out of their way to get to know and to listen to and respect the people of the university. In my view the business officer's business is only half finances; the other half is good communication.

I end—before Henry the Eighth divorces me or more likely locks me up in the Tower of London and then beheads me—with an encouragement to business officers to celebrate as your own the accomplishments of our students, of our colleges and universities. We at Seattle U. have just come off a very hard year—have you too?—of challenges, student activism, all that's involved in a nasty unionization effort, greater regulation, the ever-increasing complexity of universities and yet decreasing understanding and support by the public and of elected officials of what universities do and contribute. Three days before commencement I sent an email to our

administrative team telling them it was time to celebrate those graduating students and to enjoy their accomplishments as a fruit of our hard work, not just to get through to the other side of commencement and a difficult year, but to allow ourselves the joy of experiencing in the graduating students what our work is all about. I say that same thing to you: take the time, create the space, allow the feelings of satisfaction in a job well done shown in the lives, the careers, the service, and the values of your graduating students and their grateful families. We've long said, "No money, no mission!" We should just as well say, "No budget, no graduates" and "No investment, no commencement", "No university financial shakedown, no presidential handshake". Maybe this annual meeting in super-enjoyable, over-educated, hyper-caffeinated Seattle is a good time to celebrate what you do for students, not to mention for presidents. From one president... Thank you, and have a great annual meeting.